

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

In the Matter of the Application of GTE
California Incorporated for Authority Pursuant to
Public Utilities Code Section 851 to Lease Space
to Third Parties and Affiliates, and to Share
Certain Assets with Affiliates.

Application 99-10-010
(Filed October 15, 1999;
amended October 15,
2002)

**ADMINISTRATIVE LAW JUDGE'S RULING
REQUIRING COMMENTS BY JUNE 6, 2003**

A Prehearing Conference in this matter was conducted on January 8, 2003. Because of pending audit procedures in another docket, the parties requested and were granted additional time to prepare and file comments in this proceeding. Comments will address two issues:

1. Should the Commission approve applicant's proposed shared asset methodology for dealing with the activities of certain affiliates?
2. Is further investigation warranted as to applicant's transfer of certain business units without prior approval under Pub. Util. Code § 851?

Parties may (but are not required to) address other matters in their opening comments.

IT IS RULED that:

1. Opening comments in this matter shall be filed on or before June 6, 2003.
2. Reply comments in this matter shall be filed on or before July 7, 2003.

Dated January 13, 2003, at San Francisco, California.

/s/ GLEN WALKER

Glen Walker
Administrative Law Judge

CERTIFICATE OF SERVICE

I certify that I have by mail this day served a true copy of the original attached Administrative Law Judge's Ruling Requiring Comments by June 6, 2003 on all parties of record in this proceeding or their attorneys of record.

Dated January 13, 2003, at San Francisco, California.

/s/ FANNIE SID

Fannie Sid

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to insure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.